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## Google Acquires Keyhole; CBS Enlists Help of ESRI

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(Oct 29, 2004)

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*Location Technology Continues Push Into in Consumer Markets and Media*

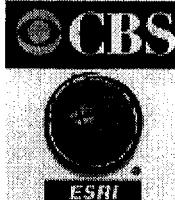
The battle continues to rage fiercely as salvos are exchanged with no clear winner emerging. And that's just in the fight for consumer-based location services marketplace.

Yesterday, [Google](#) (Nasdaq: GOOG), the company who recently tweaked the nerves of investors by going public through a Dutch auction and who turned in [strong quarterly financials](#) last week acquired Keyhole, a Mountain View, California based company that offers a huge database of remotely-sensed imagery and a 3-dimensional perspective view of terrain data. The acquisition is just another in a succession of moves by search engine companies vying for loyal customers. But let's face it, it is now a fully pitched war between Yahoo, Google, America Online, and Microsoft.

### History of Consumer Mapping on the Web

It started back in December 1999 with the [purchase of MapQuest.com](#) by America Online AOL for the absolutely obscene price tag of \$800 million. MapQuest.com had been a privately owned company backed by Trident Capital, L.P., Highland Capital Partners and Weston Presidio Capital. It went public in early 1999. The Company has been in operation since 1967 and is still a provider of many maps, travel guides, and other print media.

In March 2002, [Yahoo booted MapQuest](#) as its online provider of digital maps and struck out on their own. Since that time, [Yahoo! @ Maps](#) has tried to expand its offering with a feature called "SmartView" which enhances the current Yahoo! Maps product by allowing consumers to choose local points of interest and attractions - such as restaurants, hotels, movie theaters, parks, ATMs and post offices- to customize the current map display.



among corporate users for "store finder" maps at online retail websites. Microsoft moved the MapPoint Business Unit to its Mobility Group to leverage its ability to supply location-based services to telecommunications companies.

This year, [Tecontar signed a deal with Ask Jeeves](#) to deliver maps and driving directions at its search engine portal. Ask Jeeves, Inc. has acquired a group of search engine websites such as Ask Jeeves (Ask.com and Ask.co.uk); Ask Jeeves for Kids (AJKids.com); Excite (excite.com); iWon (iwon.com); My Search (mysearch.com); My Way (myway.com); My Web Search (mywebsearch.com) and Teoma (teoma.com).

In 2001, during Keyhole's first year of operation, I met John Hanke, former CEO of Keyhole who will become general manager of Google's Keyhole group. He was very sure of his company's competitive strengths and understood that the consumer market was the real target for his company's products. Yet, it was CNN that brought Keyhole its notoriety during the Iraq war as the news network used Keyhole's visualization tools to zoom into city views of Baghdad using its library of remotely-sensed imagery. Keyhole was privately held and received financial support from Sony Broadband. Later it received funding from In-Q-Tel, a non-profit investment arm of the Central Intelligence Agency. On the news of the announcement yesterday, shares of Google were up 2.8 percent and the company announced that there would be a price reduction for Keyhole 2 LT to \$29.95 from \$69.95, effective immediately.

### **Implications for the Location Technology Sector**

What does this move mean to the broader location technology industry? It is just another move that moves the technology further into the hands of consumers and lessens the influence of major mapping technology companies to control the market for location software, such as geographic information systems, desktop mapping, and other spatial technology. It moves mapping information into larger spatial databases, which are controlled by companies like Microsoft, Oracle, and IBM. And it proves the theory that, on the web, content is king. Google wants to be a more complete, searching engine resource. As such, when you search for information, much of it has a geographic component. Hence, you need mapping technology to visualize the result.

### **Not To Be Outdone...**

But, hot on the heals of the Google announcement, [ESRI also announced](#) yesterday that it had signed a deal with CBS News to provide mapping technology during the presidential elections next Tuesday evening. According to the press release, "CBS News will use geographic information system (GIS) to generate maps for its 2004 election coverage. The advanced system will allow CBS News to show which presidential candidate is leading in each county around the country. The data will be updated dozens of times throughout the night. These information-rich displays will be featured in analysis from the CBS News Election Data Center and the Presidential Analysis Desk."

This is all good news for location technology, GIS, and LBS. It is a signal that maps, location-based information, GIS technology, and spatial analysis is becoming deeply embedded within supporting technologies that need to visualize and interpret geospatial data. As such, we can expect corporations to give greater credence to location technology solutions as it searches for ways to improve its competitiveness in ways that these major search engine companies are now embracing. Now, will Google look at location-based searching technology in text form to further increase its competitive advantage. Look for companies like [MetaCarta](#) to have something to say about this.

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